



SAN DIEGO
HOUSING
COMMISSION

San Diego Housing Commission Citizens Revenue Review & Economic Competitiveness Commission

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San Diego Housing Commission

- Established in 1979 by action of City Council
- Each year the Housing Commission assists more than 76,000 San Diego residents by:
 - Providing rental assistance to about 38,000 persons
 - Owning & managing over 1,800 units of affordable housing



San Diego Housing Commission

- Assisting about 150 first time homebuyers
- Assisting over 200 lower income home owners to renovate their homes
- Providing education & job training opportunities to over 500 persons
- Working with development partners to expand the availability of affordable housing
- Pioneering innovative programs to assist persons with special needs & homeless persons



San Diego Housing Commission Oversight & Management

- San Diego Housing Authority (City Council)
- San Diego Housing Commission Board
 - 7 members, recommended by Mayor, approved by Housing Authority
- President & CEO
 - Responsible to the HA and HC Board
- All other HC staff report through Executive VP and Vice Presidents





San Diego Housing Commission

- 260 employees
- Not City employees
- Do not participate in City benefit plans or pension program
- SDHC has a Defined Contribution Pension Plan for employees (14% of Compensation)
- SDHC does not participate in Social Security



Business Plan Goals

- Broaden the Housing Commission's mission to provide affordable housing for a wider San Diego population, from assistance for the homeless to opportunities for workforce housing
- Model effective application of private sector techniques in a public sector operation



Business Plan Goals

- Become a national model in initiating and implementing new, progressive ideas to address affordable housing needs across the country.
- Providing a positive customer experience through the seamless, efficient and professional delivery of programs and services.



Business Plan Goals

- Continue to be an employer of choice in San Diego by offering professional development initiatives and treating staff members in a fair and equitable manner.





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FY11 Budget - \$291.7 Million

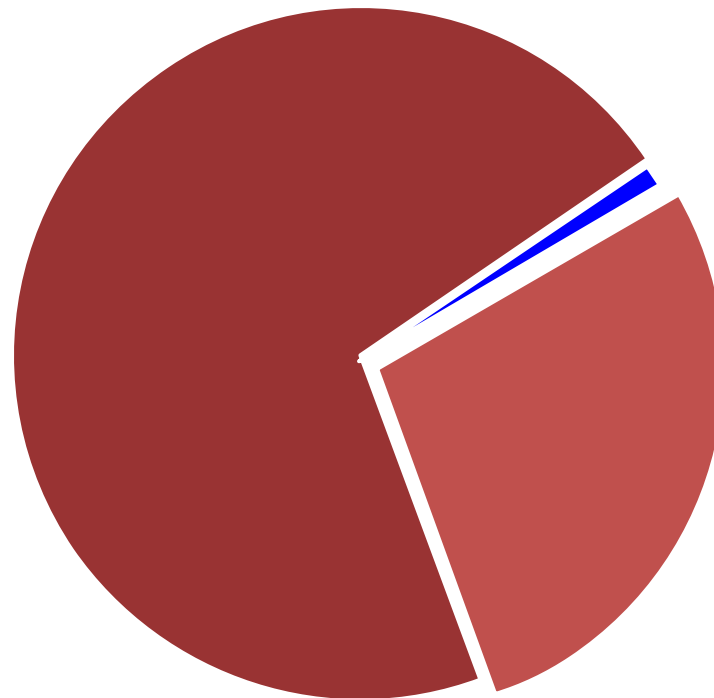


FY11 Revenue by Major Category

Total \$291.7 M*

Federal
\$218.9M
75%

State
\$2.2M
1%



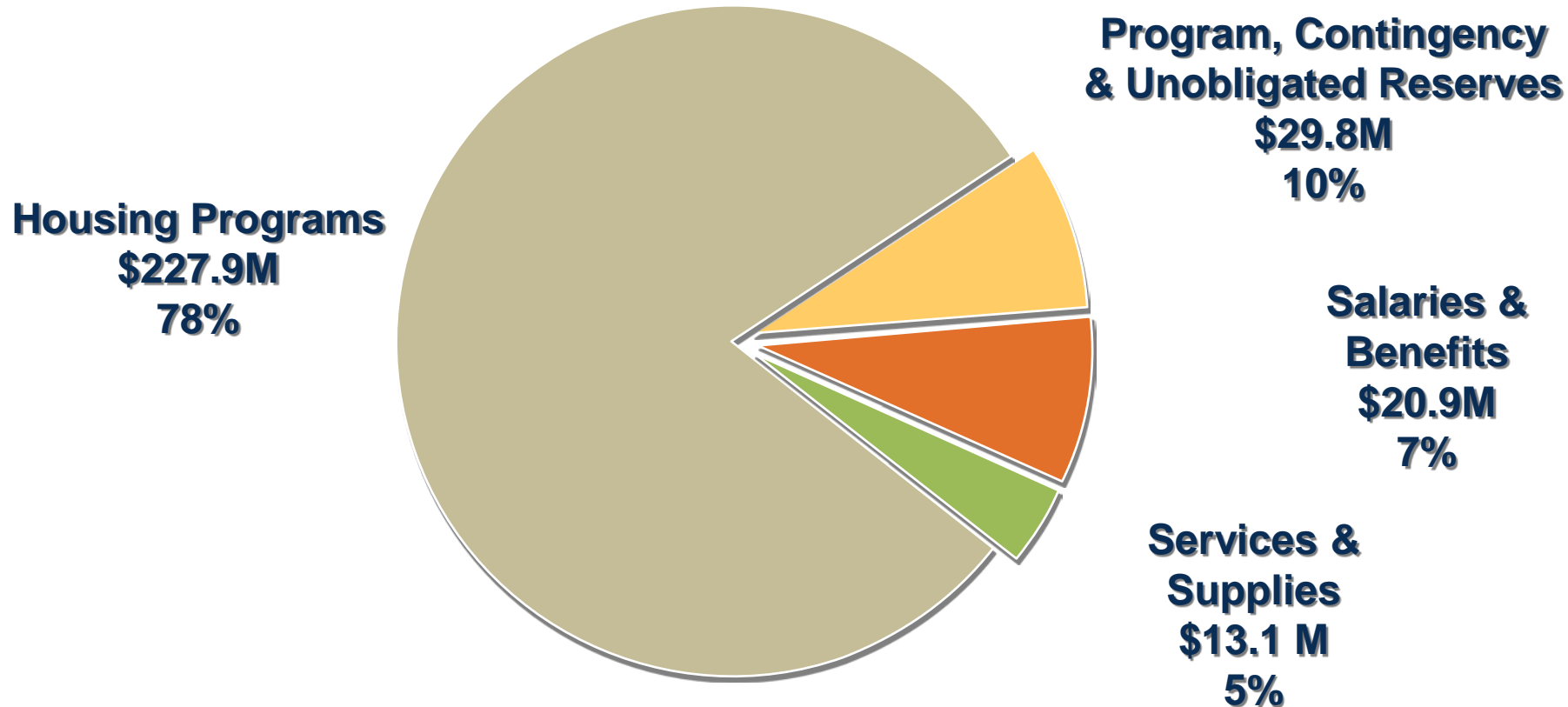
San Diego
\$70.6 M
24%

***No City General Funds**



FY11 Expense by Major Category

Total \$ 291.7 M*



*Does not include Continuing Appropriations of \$15.3M



FY11 City Activities Funded by SDHC

Project Homeless Connect	\$ 25,000
Regional Task Force on the Homeless	45,000
Shared Housing (Elder Help)	110,000
Fair Housing	80,000
Homeless Shelter	<u>400,000</u>
	\$ 660,000



Affordable Housing Fund (Does Not Include Impact Fees)

– The Housing Trust Fund (HTF)

- Funded by Linkage Fee, a commercial development fee created by the San Diego City Council on April 16, 1990

May be used for loans, grants, or indirect assistance to produce and maintain affordable units and related facilities

– Inclusionary Housing Fund (IHF)

- Funded by Inclusionary Fee, a residential development fee created by the San Diego City Council on June 3, 2003
- Requires that 10 percent of new construction units be set aside as affordable housing
- Developers may also satisfy the affordable housing requirement through payment of an “in-lieu fee”



Linkage Fee Uses

- **First Time Homebuyers:** 1,233 units
- **Rental Housing Development:** 5,059 units
- **Rehab-Owner Occupied:** 92 units
- **Transitional Housing Operations:** 600+ beds per year



Linkage Fee Benefits

- Controlled locally and designed to respond to local needs
- Generates jobs in the construction, real estate, and community service sectors, linking new job creation with the provision of appropriate housing
- Helps local workers buy homes; new homeowners pay property taxes and generate sales tax revenue in the City; and creates a stable workforce for local employers
- Saves the City money by contributing funds to pay for community services, the fee covers costs that are absorbed by general fund budgets in other cities



Linkage Fee

- Primary source of local matching funds for several federal and state programs
- HOME (\$9 mil/yr to City) requires 25% match
- State HTF program (\$2 million) requires 100% local match



Linkage Fee History

- **July 1989** – Keyser Marston Assoc. (KMA), Inc. prepares San Diego's first study to determine the nexus between commercial development and impacts on housing;
- **April 16, 1990** – San Diego City Council adopts the first “Linkage” fee and creates the City's Housing Trust Fund.
- **July 8, 1996** – To spur business development during the City's recession, the City Council cuts linkage fees in half;
- **June 18, 2003** – Affordable Housing Task Force (AHTF) recommends re-doubling of the 1990 linkage fee schedule;
- **September 2, 2009** – LU&H directs staff to prepare an update of the Linkage Fee Nexus Study and to identify other potential funding sources
- **January 2010-Present**-RFP's published, proposals received, and evaluating



CA Jurisdictions with Linkage Fees



- **Sacramento**— Fees range from \$0.50 per sq ft. for warehouses to over \$2.00 for retail commercial with automatic annual adjustments based on the San Francisco Construction Cost Index.



- **San Francisco**—Entertainment \$18.62/sf, Hotel \$14.95/sf, Office \$19.96/sf, and Retail \$18.62/sf with a built in inflation formula.



- **Santa Monica**—\$4.77/sf up to 15,000/sf and \$10.61/sf above 15,000/sf.



- **Menlo Park**— \$13.62/sf for office and R&D and \$7.40/sf for all other commercial development.



CA Jurisdictions with Linkage Fees



- **Palo Alto**— As of May 1, 2001, the Commercial Housing Mitigation fee is \$16.01/sf; applies to all development over 20,000 /sf.



- **City of Pleasanton**—Currently: Commercial is \$2.66/sf. Fee is revised by the percentage increase or decrease in the Consumer Price Index for San Francisco/Oakland region.



- **City of Sunnyvale**—Housing Mitigation fees \$8.00/sf for commercial development.



- **City of Petaluma**—Commercial \$2.08/sf, Retail \$3.59/sf and Industrial \$2.15/sf.

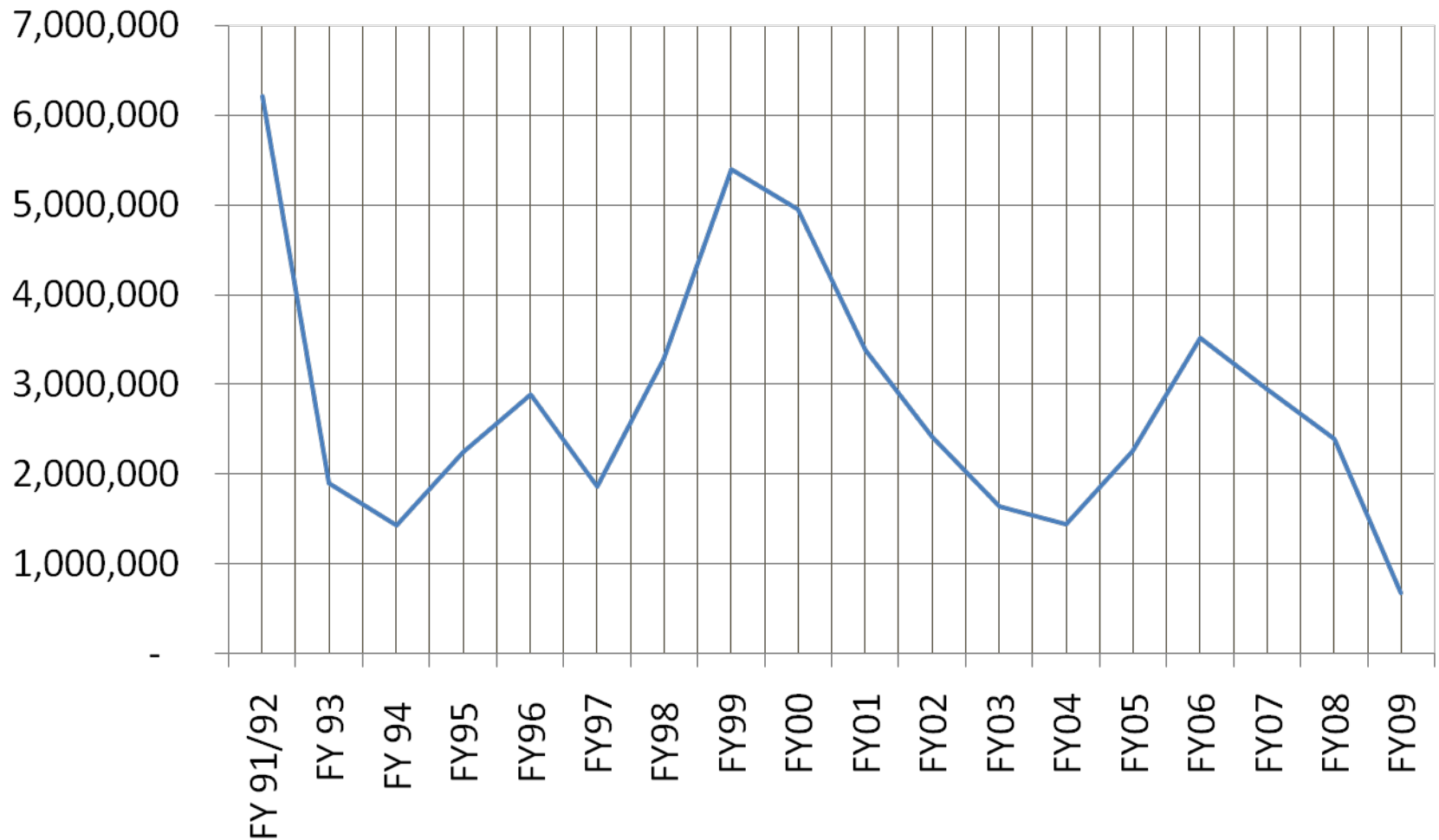


San Diego Fee Schedule

- \$1.06/sf for office and comparable uses
- 80 cents/sf for research and development spaces
- 64 cents/sf for hotels, retail and manufacturing
- 27 cents/sf for warehouses



Linkage Fee Collection





Rental Assistance



First -Time Homebuyer



Housing Rehabilitation

Thank You!

